



Dear Prospective Applicant,

Thank you for applying to the Indiana Office of Energy Development (OED) Alternative Fuel Vehicle Grant (AFV). The AFV Grant is a competitive program that offers financial assistance to local units of government, businesses, school corporations, higher education institutions, health care facilities, and non-profits for the purposes of on-road alternative fuel vehicle purchases or retrofits.

This document is intended to provide guidance and assist in completing the accompanying application. Included in this guidance are the AFV Grant Guidelines, Awardees Responsibilities, and Terms and Conditions.

AFV Grant applications may be submitted electronically anytime between September 6 to September 30, 2011. All applications will be reviewed competitively following the close of the grant application period on. You will be notified if any information is missing or if more information is required for a complete analysis during the review process. The review process is expected to only take a few weeks, but you are welcome to call or e-mail for progress reports from time to time.

Sincerely,

A handwritten signature in black ink, appearing to read "Patrick Flynn".

Patrick Flynn
Vehicle Technologies Program Manager
pflynn@oed.in.gov

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Program Guidelines

American Recovery and Reinvestment Act (ARRA)

The American Recovery and Reinvestment Act of 2009, Public Law 111-5, appropriates funding for the Department of Energy (DOE) to issue/award formula-based grants to states, U.S. territories, units of local government, and Indian tribes under the State Energy Program. DOE's authorization for this program is set forth in Title V, Subtitle E of the Energy Independence and Security Act (EISA) of 2007.

Projects under this announcement will be funded, in whole or in part, with funds appropriated by the American Recovery and Reinvestment Act of 2009, Pub. L. 111-5, (Recovery Act or Act). The Recovery Act's purposes are to stimulate the economy and to create and retain jobs. The Act gives preference to activities that can be started and completed expeditiously. Accordingly, special consideration will be given to projects that promote and enhance the objectives of the Act, especially job creation, preservation and economic recovery, in an expeditious manner.

Be advised that special terms and conditions may apply to projects funded by the Act relating to:

- Reporting, tracking and segregation of incurred costs;
- Reporting on job creation and preservation;
- Publication of information on the Internet;
- Access to records by Inspectors General and the Government Accountability Office;
- Prohibition on use of funds for gambling establishments, aquariums, zoos, golf courses or swimming pools;
- Ensuring that iron, steel and manufactured goods are produced in the United States;
- Ensuring wage rates are comparable to those prevailing on projects of a similar character;
- Protecting whistleblowers and requiring prompt referral of evidence of a false claim to an appropriate inspector general; and
- Certification and Registration.

These special terms and conditions will be based on provisions included in Titles XV and XVI of the Act. These Special Provisions are located at

http://management.energy.gov/business_doe/business_forms.htm.

Recipients of funding appropriated by the Act shall comply with requirements of applicable Federal, State, Tribal and local laws, regulations, DOE policy and guidance, and instructions in this announcement, unless relief has been granted by DOE. Recipients shall flow down the requirements of applicable Federal, State, Tribal and local laws, regulations DOE policy and guidance, and instructions in this announcement to sub recipients at any tier to the extent necessary to ensure the recipient's compliance with the requirements.

Be advised that Recovery Act funds can be used in conjunction with other funding as necessary to complete projects, but tracking and reporting must be separate to meet the reporting requirements of the Recovery Act and related OMB Guidance. Applicants for projects funded by sources other than the Recovery Act should plan to keep separate records for Recovery Act funds and to ensure those records comply with the requirements of the Act. Funding provided through the Recovery Act that is supplemental to an existing grant is one-time funding.

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Program Summary

Alternative fuel vehicles help conserve energy and manage costs. In a time of rising fuel costs and increased fuel supply volatility, it is vital to our economic future to decrease oil consumption and lower long term energy costs. Alternative fuel vehicles allow user to use domestically available, inherently clean-burning fuels as well as advanced technologies to increase fuel efficiency.

The program will provide grants of between \$40,000 and \$500,000 for on-road alternative fuel vehicle purchase and retrofits. Cost share is not required, but leveraging funds will earn the applicant additional points in the scoring process. Grant funds cannot be used for research and development projects or alternative fuel station infrastructure. Only vehicles are allowed under this grant. Infrastructure projects will not be eligible under this grant.

The purpose of the AFV Grant is to assist eligible entities in creating and implementing strategies to:

- increase energy efficiency, reduce energy consumption and reduce energy costs through the use of alternative fuel vehicles;
- reduce fossil fuel emissions in a manner that is environmentally sustainable and, to the maximum extent practicable, maximizes benefits for local and regional communities;
- create new jobs and increased productivity to spur economic growth and community development; and
- leverage the resources of federal, state and local governments, utilities and utility regulators, private sector and non-profit organizations to maximize the resulting energy, economic and environmental benefits.

All projects must be completed no later than January 31, 2012. If the project is not completed on time, the grantee may be responsible for all incurred costs. If you are unable to complete the project in this timeline, please do not apply.

OED has the right to modify or withdraw this request for applications at any time, whether before or after applications have been submitted.

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Program Eligibility

Eligible applicants include:

- Small businesses as defined in Indiana Code 4-22-2.1-4
- All businesses as defined in Indiana Code (Casinos, zoos, and golf courses are not eligible)
- Non-profits must be recognized by the Internal Revenue Service as a 501(c)(3) or 501(c)(6) organization.
- School corporations as defined in Indiana Code IC 20-18-2-16
- Institutions of higher education
- Healthcare facilities as defined in Indiana Code 16-18-2-161
- Units of Government: Entitlement and Non-entitlement are eligible. For additional information go to: <http://www.census.gov/govs/>
 - Municipal Governments & Counties
 - For the purposes of the AFV Grant Program, “Municipal Governments” includes cities, towns, villages, or city-equivalent unit of local government as defined by the US Census of Governments. Consolidated city-county governments will be considered as cities.
 - For the purposes of the AFV Grant Program, “county” includes county-equivalent units of local government as defined by the US Census of Governments.
 - Townships (as defined in Indiana Code 36-6-6) will **not** be eligible under the AFV Grant.
 - The government must be included in the latest available Census of Governments as a currently incorporated government

Eligible entities must also meet the following requirements:

- An organization must be current in its filing requirements to the Indiana Secretary of State to be eligible for a state or federal grant.
- Non-Indiana entities must be registered to do business with the Indiana Secretary of State (If not registered, please see the following form at <http://www.in.gov/icpr/webfile/formsdiv/38784.pdf>)

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All proposed projects must meet all of the following criteria:

- ☐ Majority of project activities must be located in Indiana. Vehicles may be used outside of Indiana, but must be based in Indiana.
- ☐ Vehicles must be owned and operated by applicant.
- ☐ Vehicles must be on-road alternative fuel vehicles as defined by the EPA (<http://www.epa.gov/otaq/hwy.htm>) and the Energy Policy Act: <http://www.epa.gov/lawsregs/laws/epa.html>
- ☐ Vehicles must be a part of a fleet of vehicles (5 or more vehicles constitute a fleet): Fleet vehicles are those owned by the eligible applicant and used in normal operations by the eligible applicant. The vehicles must be owned and operated by the eligible applicant. Fleets owned by individuals will not be eligible.
 - *Please note that the entity must already own 5 vehicles prior to application.*
- ☐ Project must meet one or more of the following criteria (for additional information go to http://greet.es.anl.gov/fleet_footprint_calculator):
 - Demonstrate measurable improvements in fuel efficiency (by straight gallon gas equivalents)
 - Result in a reduction in fuel demand
 - Result in a reduction in fuel costs
- ☐ Project must use existing reliable, commercially-available technologies.
 - All alternative fuel vehicle conversion kits must be EPA Certified Clean Alternative Fuel Conversion Systems and installed by a qualified system retrofitter.
 - For more information go to
 - <http://www.epa.gov/otaq/consumer/fuels/altfuels/altfuels.htm>
 - <http://www.epa.gov/otaq/certdata.htm#largeng>
- ☐ Project must be limited to activities that have been previously approved under the National Environmental Policy Act (NEPA) or are otherwise categorically exempt from further NEPA review.
- ☐ Projects that begin prior to award or that will not be completed by January 31, 2012 are not eligible for grant funding.
- ☐ Project costs must be a minimum of \$40,000. Applications submitted for projects costing less than \$40,000 are ineligible and will not be scored. Projects with costs exceeding \$500,000 are not discouraged, but the cap for grant funding will be \$500,000.
- ☐ All applicants must provide a letter of support from at least one of the Department of Energy recognized Indiana Clean Cities Organizations (Greater Indiana Clean Cities Coalition or South Shores Clean Cities) and an individual within the organization eligible to enter into contracts on behalf of the organization (i.e. CEO, president, town council president, general counsel, etc.).
- ☐ Fueling infrastructure for an alternative fuel must be currently operational or completed by June 30, 2012. If infrastructure is not currently operational, the applicant must provide

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details and assurances on the infrastructure completion. Assurances or contracts from all applicants on fueling location must also be included in the application if applicable.

- ☐ Vehicles that will be eligible under this area of interest are as follows
 - On-road Light, Medium, and Heavy Duty Vehicles
 - Following types of vehicles using alternative fuels as recognized by Energy Policy Act
 - Electric
 - Hydrogen
 - Mixtures containing up to 85 percent methanol or denatured ethanol
 - Natural gas
 - Fuel Cell Electric Vehicles
 - Electric Hybrid Vehicles
 - Hydraulic Hybrid Vehicle
 - Duel Fuel Vehicles; includes natural gas combined with diesel or regular gasoline. Must run 50% of the time on alternative fuel.
- ☐ Vehicle Incremental Cost Funding Limitations (not to exceed actual cost):
 - For neighborhood electric vehicles: \$2,000 per vehicle
 - For light duty hybrid vehicles: \$2,000 per vehicle
 - For light duty fuel cell vehicles: \$500,000 per vehicle
 - For all other light duty alt fueled and advanced technology vehicles: \$50,000 per vehicle
 - For medium/heavy duty electric vehicles, and/or medium/heavy duty hybrids/plug-in hybrids powered exclusively by alternative fuels: \$200,000 per vehicle
 - For medium/heavy duty fuel cell vehicles: \$200,000 per vehicle
 - For all other medium duty and heavy duty alternative fueled and advanced technology vehicles: \$200,000 per vehicle.
 - For all light, medium, and heavy duty duel fuel vehicles: cost not to exceed \$150,000 per vehicle
- ☐ In addition to the cost requirements listed above applications must adhere to the following.
 - For new vehicle purchases, the grant money can be used for the cost differential between the alternative energy vehicle or an alternative energy component and its traditional counterparts.
 - For alternative fuel vehicle retrofits, grant money can be used to cover the cost differential between the selected alternative energy vehicles and its traditional counterparts.

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Application Instructions

Only complete applications will be allowed to be submitted. The application must be completed and submitted through OED's online grant portal: <https://extranet.in.gov/oed/grants/default.aspx>. Applications submitted through other means will not be accepted. **Please note the question mark icons at the top of each page of the application online. These icons may be selected and will provide you with additional information for questions on a particular section of the application.**

The grant portal will request several attachments to be uploaded. Please include only one attachment per section. For example, if you are asked to provide equipment information, it should be in one .pdf file, even if there are multiple pages.

The applicant is responsible for all costs and expenses associated with submitting this proposal. Administrative costs will not be reimbursed.

OED may request additional information after submission from an applicant to further evaluate an application. Failure to adequately address the request will cause OED to score the application as is, which could affect an applicant's overall score and/or eligibility.

OED expressly reserves the right to modify or withdraw this request for applications at any time, whether before or after applications have been submitted. Please note that this is a competitive grant program and that OED also reserves the right to award zero (0) grants under this request.

Financial Requirements

This grant requires no cost share.

In some cases, in-kind contributions (such as in-house labor) may be considered as leveraged funds. However, in the case of in-house labor, applicant must demonstrate the capacity to perform the services (i.e. maintain appropriate certifications) and document the value of the in-kind contributions. In-house labor is subject to Davis-Bacon wage rates.

Additionally, funding from other non-federal sources may be considered as leveraged funds. Proof of award must accompany the application. Federal or state tax credits are not eligible to be counted towards leveraged funds and should not be included.

This grant is reimbursement-only. This means that after the agreement has been executed through the state's signature process the recipient may submit the appropriate reimbursement documentation

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to OED and be reimbursed for the amount of the qualified invoices submitted based on the contract. Appropriate documentation must include proof of payment.

Davis Bacon Act

All projects receiving financial assistance from DOE must be compliant with the Davis Bacon Act. Section 1606 of the Recovery Act requires that all laborers and mechanics employed by contractors and subcontractors on projects funded directly by or assisted in whole or in part by the Federal Government pursuant to the Recovery Act shall be paid wages at rates not less than those prevailing on projects of a character similar in the locality as determined by the Secretary of Labor in accordance with subchapter IV of chapter 31 of title 40, United States Code.

OED will **not** allow program funds to be used by grant recipients for administrative purposes. OED will sub-contract directly with third parties familiar with Davis-Bacon requirements to monitor wage rates and weekly payroll for grant recipients.

DUNS Number

If your organization does not have a DUNS number, go to the Dun & Bradstreet (D&B) online registration located at <http://fedgov.dnb.com/webform/displayHomePage.do> to receive a number free of charge or call 1-800-234-3867. Please be aware that this process may take up to 10 days. All applicants must have a DUNS number to be eligible. If you are not in receipt of a DUNS number at the time of application, you must submit it to the program manager within 7 days of application. Failure to do so may result in loss of eligibility for grant funding.

Buy American

The American Recovery and Reinvestment Act (ARRA) encourages, but does not require, that all products and materials purchased with ARRA funds comply with the Buy American clause.

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Evaluation and Award Process

Scoring Criteria

Applications shall be considered for grant funding upon completion of the administrative and technical review. The following criteria, among others, will be considered during the administrative and technical review:

- Fuel savings
- Fuel cost savings
- Grant experience
- Fuel Conservation Strategy or Fleet Strategy
- Ability to start and complete project within the timeframe specified in this document
- Leveraged funds
- Overall quality of application

Awards

OED anticipates awarding between 1-4 grants through the AFV Grant program, but reserves the right to award zero (0) or more than four (4) grants under this solicitation.

Please be aware that partial funding can be awarded, and applicants awarded funding may not appeal the decision made by OED. Only one application per applicant will be accepted, but multiple projects can be included in one application as long as all of the projects are within the program guidelines.

If awarded, the applicant must inform OED of refusal of funds within one week from original notification of award. Failure to notify OED of the refusal of funds will result in the applicant becoming ineligible for further application for grant funding.

Once awarded, and the applicant accepts the award, the project must begin. Given the shortened timeline of the grant, awarded applicants cannot wait until contracts are fully executed to begin projects. OED considers the award letter a notice of intent and commitment to the project.

This grant is reimbursement only. This means that after the agreement has been executed through the state's signature process the recipient may submit the appropriate reimbursement documentation to OED and be reimbursed for the amount of the qualified invoices submitted based on the contract. Appropriate documentation must include proof of payment.

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Application Checklist

Complete grant applications will include all of the following supporting materials:

- ☐ Attachment A: Project Vehicle Information Sheet
- ☐ Attachment B: Budget and Quotes
- ☐ Attachment C: Fuel Conservation Strategy
- ☐ Attachment D: Fueling Location Information
- ☐ Attachment E: Signature Page
- ☐ Attachment F: Letters of Support

While not mandatory, you may also use the following field to upload additional materials to support your application:

- ☐ Attachment G: Other Attachments

Attachment Guidelines

Attachment A: Project Vehicle Information Sheet

Please provide as an attachment a completed Project Vehicle Information Sheet. Visit OED's website at <http://energy.in.gov/> to find this form.

Attachment B: Budget and Quotes

Please provide in an attachment a copy of a quote from an OEM, installer, or equipment provided to support your budget and grant request. Also include a detailed budget for the project.

Attachment C: Fuel Conservation Strategy

The process of becoming more fuel efficient should not be limited to a one –time project of purchase of vehicles. Please provide a summary outlining your organization's current or planned fuel conservation strategy or initiatives in a separate attachment.

Attachment D: Fueling Location Information

Please provide as an attachment the fueling location and fueling contracts for your alternative fuel fleet. If station is not currently operational please provide information and assurances that the station will be completed for use by the alternative fuel vehicle(s). Information is needed if your vehicles will run on any non-conventional fuel (anything but gasoline or diesel). Please provide a map of the location(s).

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Attachment E: Signature Page

Please provide as an attachment a signed copy of the signature page. To do this, print out, sign, and scan into a .pdf document the AFV Certifications and Assurances document on OED's website at <http://energy.in.gov/>.

Attachment F: Letter of Support

Please provide in an attachment a letter of support of your local, Indiana-based Clean Cities Coordinator (<http://www1.eere.energy.gov/cleancities/>) and a separate letter from the applicant's fleet manager or qualified person to make commitments (i.e. CEO, President of County Commissioners, general counsel, etc.).

Attachment G: Other Attachments

Please use this field to attach additional documents that support your application. These may include, but are not limited to, documentation and justification for in-kind contributions considered as leveraged funds, audits or feasibility studies. Please provide descriptive labels for each attachment.

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Awardee Responsibilities

While the below responsibilities, terms, and conditions are not exhaustive and intended to substitute for the awardee reading and understanding of the contract between their entity and the State of Indiana, they provide an example of the behavior and deliverables expected by OED and the U.S. Department of Energy.

Reporting Requirements

The following will be collected from each recipient:

- One ARRA report each quarter
- One DOE report each quarter
- Final report due thirty days after grant's expiration

Quarterly reporting will commence within three months of award. The report will detail activities/results such as timelines, budget information including grant monies received, the items listed below, and a narrative on the project's progress. These results/activities are provided to OED by the grant recipient in the form of monthly and quarterly reports which are due to OED. The specifics of reporting timelines and requirements will be explained further in the contract signed by the applicant upon award. The reports will be used to track progress made by the grant recipient and to report to the U.S. Department of Energy. Please see the table below for a list of potential reporting requirements:

Jobs created/retained *
Alternative Fuel Vehicles
Quantity of Fuel Used
Miles Driven
Greenhouse gases reduced (CO2 equivalents)*
Criteria air pollutants reduced (CO2 equivalents)*

* If awarded, awardees will be provided with guidance on how to calculate these metrics.

A final progress report will be due. This final report will summarize all aspects of the project. Please consider the reporting requirement seriously before application submission to ensure your ability for compliance.

Reporting will be done electronically and a valid email address is a required attribute of the applicant.

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Maintain Communication

The grant recipient shall maintain communication with the Office of Energy Development for the duration of the grant agreement. The grant recipient is obligated to report any changes in the project scope, budget, installation date etc. with OED as soon as they become aware of the changes. Failure of the grant recipient to report any changes in the activities, scope, or budget of their project once awarded constitutes a breach of contract on the part of the grant recipient and will jeopardize the receipt of grant monies. The grant recipient shall acknowledge the financial support of OED by displaying the logo of OED on any webpage, media, or printed materials that mention the project.

Site Visits

The grant recipient shall allow OED to conduct project site visits when given (5) business days notice.

Tax Liabilities

The grant recipient must be current on all tax liabilities owed to the Indiana Department of Revenue or the Indiana Department of Workforce Development prior to the award being finalized. OED encourages applicants to contact these agencies to determine your status prior to applying.

Modifications

Awardees must report to OED immediately if there is a change to the previously proposed activities, scope, or budget changes. The communication must occur prior to the modification and provide a rationale for proposed changes.

Additional resources

The Department of Energy and the Clean Cities Program provides information on all types of alternative fuel vehicles: <http://www1.eere.energy.gov/cleancities/> or <http://www.afdc.energy.gov/afdc/>

To contact an Indiana Clean Cities Coalition please visit: <http://greaterindiana.org> or <http://www.southshorecleancities.org/>

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Terms and Conditions

Award Approval

OED administers the AFV program and will review and score all grant applications. All grant applications submitted will be scored competitively against one another for grant funding. OED reserves the right to award zero (0) grants under this competitive solicitation.

If the applicant is approved by OED, a grant agreement will be drafted in order to establish the terms of the grant and other conditions needed to manage the grant. Upon award notification, OED expects awardees to immediately begin their project by ordering equipment associated with the project. Once the awardee receives and returns the originally signed grant agreement, the agreement will begin the state's signature process, which can take up to 8 weeks for completion. Upon completing the state's signature process, the award recipient may draw down on grant funds as the project is completed. **Do not wait until the executed contract is returned to start project activities, as the process can significantly delay your project.** Delay in contract execution is not an allowable reason for an awardee's failure to complete project installation by the deadline stipulated in the contract. Any costs incurred in this period are at the awardee's risk if the agreement is not signed and returned in this time period, and no reimbursement will be made to awardee and all funds will be de-obligated.

Confidentiality of Information

To the extent feasible and permissible by law, the Office of Energy Development (OED) will honor an applicant's request that confidential information submitted to OED will remain confidential. OED will treat information as confidential only if: (i) the information is, in fact, protected confidential information such as trade secrets or privileged or confidential commercial or financial information; (ii) the information is specifically marked or identified as confidential by the applicant; (iii) the information is segregated and placed in a separate appendix to the application; and (iv) no disclosure of the information is required by law or judicial order. If the application results in award of a grant, the honoring of confidentiality of identified data shall not limit the right of OED to disclose the details and results of the grant to the general public. Each and every page containing proprietary data must be clearly identified and marked CONFIDENTIAL.

Indemnification

To the extent allowable by law, Applicant agrees to indemnify, defend, and hold harmless the State, its agents, officials, and employees from all claims and suits including court costs, attorney's fees, and other expenses caused by any act or omission associated with the submission of this application. The State shall **not** provide such indemnification to the applicant.